



FOR YOUR INFORMATION

Rita Schneider

DATE: June 14, 1995
TO: Peter Henriques
SUBJECT: A Smokers Guide to Dining in Manhattan

A Smokers Guide to Dining in Manhattan is being launched early July by Kato Enterprises. It will list 310 restaurants in Manhattan only organized by type of smoking accommodations, e.g. bar, outdoor, etc., cuisine, neighborhood, and price. It is *Playbill* sized and saddle stitched..

It is being printed in increments, guaranteeing 100M circulation with 6 months. Though we believe this is extremely aggressive, the publisher is willing to guarantee its rate base within a time parameter, and will rebate accordingly. They will be priced at \$5.95 on newsstand, vs. *Lighten up New York's* pricing of \$9.95.

The publisher has offered us 4th cover and an interior page for Accommodations advertising for the upfront cost of \$30M (remember we are rate protected). Other advertisers at this time are 2 liquors (1 being Hennessy) and 1 pro-bono.

If the publication meets its circulation goal of 100M by year-end, the cost per thousand is \$300, vs. *Lighten up New York* (where we do have 6 month advertising exclusivity) of \$1000+.

Here's a side by side comparison:

	<u>Lighten up New York</u>	<u>Smokers Guide to Man.</u>
# of Restaurants	1200+	310
Size	Zagats size	Playbill
Timing	early July	early July
distribution	newsstand, bookstores	same
cost/issue	\$9.95	\$5.95
Circ.	15M	100M
Exclusivity	yes	category exclusivity
Duration	6 months (guarantees covers for 12 months) right to approve other ads for 6 months	NA
Position	4c, 2c, 3c	4c, interior page, name generation piece
# Advertisers	1	4
Cost/Advertising	\$19.2M	\$30M
CPM	\$1280	300
Rate Protection	1 year	1 year

Recommendation

We recommend participating in Smokers Guide to Manhattan:

- pre-emptive
- Quality look
- good positioning
- rate base guarantee
- 12 month price guarantee

We should, however, brainstorm parameters to judge future endeavors.

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